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# *Joint Liquidators' First Progress Report*

4U Wi-Fi Limited, Jump 4U  
Limited and Life Mobile  
Limited (all in Creditors'  
Voluntary Liquidation)

For the period from 2 September 2015 to 1  
September 2016

[www.pwc.co.uk/phones4u](http://www.pwc.co.uk/phones4u)

31 October 2016

Our ref: MD/AT/P4U/CVL033





**To all known members and creditors**

31 October 2016

Dear Sir/Madam

**4U Wi-Fi Limited, Jump 4U Limited and Life Mobile Limited – in creditors' voluntary liquidation ("the Companies")**

This is our first progress report to members and all known creditors in the above liquidation for the period 2 September 2015 to 1 September 2016.

If you have any queries in connection with this report, please contact Michael Sullivan on 0113 289 4656.

Yours faithfully  
For and on behalf of the Companies

A handwritten signature in black ink, appearing to be 'R Moran', written over a circular stamp.

Robert J Moran  
Joint Liquidator

*Robert Jonathan Hunt, Ian David Green and Robert John Moran were appointed as joint liquidators of Life Mobile Limited, 4u Wi-Fi Limited, and Jump 4u Limited to manage their affairs, business and property as agents without personal liability. All are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.*

*The joint liquidators are bound by the Insolvency Code of Ethics which can be found at:*  
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

*The joint liquidators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the liquidation.*

## Definitions used in this report

Definition used	Term
"4U Wi-Fi"	4U Wi-Fi Limited
"CDDA"	Company Directors' Disqualification Act 1986
"CVL"	Creditors' Voluntary Liquidation
"EE"	Everything Everywhere Limited
"the Bank"	Lloyds Bank Plc
"HMRC"	HM Revenue & Customs
"DLC"	Direct Legal Collections
"ICAEW"	Institute of Chartered Accountants in England and Wales
"Jump 4U"	Jump 4U Limited
"Life Mobile"	Life Mobile Limited
"P4U"	Phones 4U Limited
"PwC"	PricewaterhouseCoopers LLP
"the Act"	Insolvency Act 1986
"the Administrators" or "the former Administrators"	Robert Jonathan Hunt, Ian David Green and Robert John Moran in respect of Phones 4U Limited, Phones 4 U Group Limited, Phones4U Finance plc, MobileServ Limited, Phosphorus Acquisition Limited, 4U Limited, 4U Wi-Fi Limited, Jump 4U Limited and Life Mobile Limited; and Robert Jonathan Hunt, Ian David Green, Dan Yoram Schwarzmann and Douglas Nigel Rackham in respect of Policy Administration Services Limited; and Robert Jonathan Hunt, David James Kelly and Ian David Green in respect of Phosphorus Holdco Plc.
"the Companies"	4U Wi-Fi Limited, Jump 4U Limited and Life Mobile Limited
"the Group" or "Phones 4U"	the Companies together with Phones 4U Limited, 4U Limited, Phones 4 U Group Limited, Phones4U Finance plc, MobileServ Limited, Phosphorus Acquisition Limited, Policy Administration Services Limited, Phosphorous Holdco Plc (all in administration)
"the Liquidators", "we" or "our"	Robert Jonathan Hunt, Ian David Green and Robert John Moran
"the Rules"	Insolvency Rules 1986

## ***Table of contents***

<b>1. Introduction</b>	<b>5</b>
1.1. Why we're sending you this report	5
1.2. Appointment of Administrators	5
1.3. Estimated dividend prospects	6
<b>2. Progress made during the period</b>	<b>7</b>
2.1. Assets realisations	7
2.2. Statutory and compliance	7
<b>3. Outcome for creditors</b>	<b>8</b>
3.1. Secured creditors	8
3.2. Preferential creditors (mainly employees)	8
3.3. Unsecured creditors	8
<b>4. Liquidators' fees and other financial information</b>	<b>9</b>
4.1. Our fees	9
4.2. Our disbursements	9
4.3. Creditors' rights	9
4.4. Receipts and payments account	9
4.5. Statement of expenses	9
<b>Appendix A. - Statutory and other information</b>	<b>10</b>
<b>Appendix B. - Receipts and payments account for the period 2 September 2015 to 1 September 2016</b>	<b>13</b>
<b>Appendix C. - Details of our remuneration and disbursements and other professional costs</b>	<b>16</b>
<b>Appendix D. - Statement of expenses for the period 2 September 2015 to 1 September 2016</b>	<b>28</b>

# 1. Introduction

## *1.1. Why we're sending you this report*

This is our first progress report to members and creditors. It will help if you read this alongside previous progress reports from the Administrators which can be found at [www.pwc.co.uk/phones4u](http://www.pwc.co.uk/phones4u).

This report provides a summary of:

- The steps taken during the first year of the liquidation;
- Outstanding matters; and
- A provisional estimate of the outcome of the liquidation for unsecured creditors.

In Section 2 we provide more detailed information on what we've been doing during the period covered by this report and in Section 3 we provide information as to what the outcome for creditors might be.

By law, we have to give you certain statutory information, this is included in Appendix A.

## *1.2. Appointment of Administrators*

On 15 September 2014, Ian Green, Robert Moran and Rob Hunt were appointed joint administrators of the Companies. The administration ended on 2 September 2015, when the Companies went into creditors' voluntary liquidation and we were appointed as joint liquidators.

### 1.3. Estimated dividend prospects

	4U Wi-Fi Limited	Jump 4U Limited	Life Mobile Limited
<b>For secured creditors:</b> i.e. creditors with security in respect of their debt, in accordance with Section 248 of the Act.			
Estimated total debt:	There are no secured creditors.		Note 1
Estimated % recovery for secured creditors:	n/a	n/a	n/a
Forecast timing:	n/a	n/a	n/a
<b>For preferential creditors:</b> i.e. former employees (for unpaid wages up to £800 and holiday pay only) and unpaid pension contributions in certain circumstances:			
Amount owed to preferential creditors:	There are no preferential creditors. Phones 4U Limited was the principal employer in the Group and preferential claims were therefore only expected in that company.		
<b>For unsecured creditors:</b> i.e. all other creditors who are neither secured nor preferential:			
Amount owed to unsecured creditors:	£69,409,403	£74,824,253	£87,889,276
Estimated % recovery for unsecured creditors:	0.8% - 1%	0.1% - 0.6%	4% - 5%
Forecast timing:	12 months+	12 months +	12 months+

**Note 1:** There is a fixed charge registered against Life Mobile, however there is no outstanding debt.

Please note this guidance on dividend prospects is only an indication. You shouldn't use it as the main basis of any bad debt provision that you may need to make.



## 2. Progress made during the period

### 2.1. Assets realisations

#### **Life Mobile Limited**

During the administration, the sale of Life Mobile's business and assets, which included the domain name [www.lifemobile.co.uk](http://www.lifemobile.co.uk) to EE was completed on 29 October 2014 for £3.426m, of which £0.15m was due to other Group companies. Other assets included post appointment trading sales of £1.1m, book debts of £475k and interest amounting to £5.5k. Following the move from administration into liquidation, £4.3m was transferred from the administration to the liquidation account.

All other realisations within Life Mobile have been limited to further recoveries from the outstanding book debts. During the period 2 September 2015 to 1 September 2016 we have realised £10,995 in book debts, plus £9,654 in bank interest. Other than the continued receipt of book debts by the collection agent DLC, it is unlikely that any further assets will be realised during the course of the liquidation. Any remaining book debt balances are unlikely to be recovered as the costs involved are likely to outweigh any benefit to the liquidation.

#### **4U Wi-Fi Limited**

During the administration, we recovered cash at bank of £788k shortly after our appointment. Following the move from administration into liquidation, £754k was transferred from the administration to the liquidation account.

The only assets realised during the period of the liquidation were a refund of £12,090 in respect of direct debit cancellations made prior to the date of the administration order and bank interest of £1,841. There are no further material assets to be realised during the course of the liquidation.

#### **Jump 4U Limited**

During the administration of Jump 4u, we realised £257k in relation to post appointment sales, recovered cash of £445k, and outstanding book debts of £67k, plus interest of £0.5k. Following the move to liquidation, an amount of £577k was transferred into the liquidation account from the administration.

The only assets realised during this period of the liquidation were book debts of £4,729 and bank interest of £1,449. During the period an amount of £234.52 was refunded due to an over collection of a book debt. It is unlikely that any further assets will be realised during the course of the liquidation apart from the continued collection of further book debts that are due to the company.

### 2.2. Statutory and compliance

Other matters attended to during the period of the liquidation are as follows:

- Initial letters of notice of our appointment.
- VAT Returns for the Group for the quarters to December 2015, March 2016 and June 2016 have been submitted to HMRC.
- One of our duties has been to look at the Companies' directors' actions before it went into liquidation and during administration and consider the points raised by creditors. We can confirm that we have complied with this requirement, but are unable to provide any further information.

As a result of the Companies' move from administrations to liquidations on 2 September 2015, a further conduct report was required to be submitted to the Insolvency Service. We've finished our work on this and have complied with our obligation to submit a return to The Insolvency Service.

## 3. Outcome for creditors

### 3.1. Secured creditors

Life Mobile had granted the Bank a fixed charge over cash credit balances, however at the time of the Administrators appointment there was no outstanding debt in the company.

As such, there are no creditors in any of the Companies that have a secured or propriety interest in the Companies' assets.

### 3.2. Preferential creditors (mainly employees)

Preferential claims principally relate to claims for arrears of wages (subject to statutory limits) and unpaid holiday pay. As advised in the Administrators' final progress report, all employee contracts had resided in P4U, being the principal employer for all of the Group's employees. As such, there are no preferential creditors or claims in any of the Companies.

### 3.3. Unsecured creditors

The prescribed part is a fund that has to be made available for unsecured creditors. It's paid out of "net property". Net property is floating charge realisations after costs, and after paying - or setting aside enough to pay - preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

In this case the prescribed part doesn't apply because there is no floating charge registered against the Companies.

We think a dividend will become available for the unsecured creditors in all three Companies. The following table provides a summary of unsecured claims and dividend prospects in each of the Companies.

Company	Estimate of Unsecured Claims	Dividend Prospects
Life Mobile Limited	£88m	4% to 5%
4U Wi-Fi Limited	£69m	0.8% to 1%
Jump 4U Limited	£75m	0.1% to 0.6%

We've calculated this based on the estimate of the unsecured creditors included in the statement of affairs provided to the Administrators, with the exception of Life Mobile which includes a subrogated claim from P4U (£14m) following the discharge of Life Mobile's overdraft by P4U.

The amount of the dividend will depend on the final level of submitted and agreed claims, future realisations and liquidation costs. The largest creditor in each company is expected to be HMRC in respect of the VAT group liability, of which the Companies are members and therefore jointly and severally liable for all amounts that are currently owed to HMRC (estimated at £68m). There are complex and significant VAT matters in P4U, the resolution of which has the potential to materially affect HMRC's final position.

A distribution to creditors will therefore not be possible until these matters have been resolved, which could take a considerable amount of further time. In order to avoid unnecessary costs, the progress of agreeing creditor claims is unlikely to take place until the HMRC position becomes clearer.

We will therefore be contacting creditors at the appropriate time for the purpose of agreeing claims. Creditors who have not yet submitted a claim form in respect of amounts owed to them can do so using the form which is available at [www.pwc.co.uk/phones4u](http://www.pwc.co.uk/phones4u).



## 4. Liquidators' fees and other financial information

### 4.1. Our fees

During the administration, the creditors passed a resolution fixing the Administrators' fees by reference to time properly given by the Administrators and their staff in dealing with the administration.

The fee basis agreed in the administration continues to apply in the liquidation. This means that our fees as liquidators will also be calculated by reference to time.

The following table shows the time costs that we have incurred from 1 September 2015 to 2 September 2016:

	<b>4U Wi-Fi Limited</b>	<b>Jump 4U Limited</b>	<b>Life Mobile Limited</b>
Time costs incurred	£23,519.50	£36,450.75	£42,874.75
Fees drawn	-	-	-
<b>Unbilled fees</b>	<b>£23,519.50</b>	<b>£36,450.75</b>	<b>£42,874.75</b>
Number of hours	71.20	109.40	116.90
Average hourly rate	£330.33	£333.19	£366.76

We include details of the time costs incurred from our appointment to 1 September 2016 by work type, at Appendix C.

Further details of our fees are included in Appendix C, together with details of work that we would normally do but has been subcontracted in the period.

### 4.2. Our disbursements

We have not incurred any disbursements during the period 2 September 2015 to 1 September 2016.

### 4.3. Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 4.49E of the Rules. Any request must be in writing. Creditors can also challenge the Liquidators' fees and expenses within eight weeks of receiving this report as set out in Rule 4.131 of the Rules. This information can also be found in the guide to fees at

[http://www.icaew.com/~media/corporate/files/technical/insolvency/creditors%20guides/2015/guide\\_to\\_liquidators\\_fees\\_oct\\_2015.ashx](http://www.icaew.com/~media/corporate/files/technical/insolvency/creditors%20guides/2015/guide_to_liquidators_fees_oct_2015.ashx).

You can ask for a copy free of charge by calling Michael Sullivan on 0113 289 4656.

### 4.4. Receipts and payments account

A receipts and payments account for the period 2 September 2015 to 1 September 2016 is provided in Appendix B.

### 4.5. Statement of expenses

A statement of expenses for the period 2 September 2015 to 1 September 2016 is provided in Appendix D for each of the Companies. These statements don't include any tax liabilities that may be payable for the period of this report as this will depend on the position at the end of the accounting period.

## Appendix A. - Statutory and other information

<b>Full name (and trading name):</b>	<b>Life Mobile Limited</b>
Registered number:	05956966
Registered office:	Central Square, 29 Wellington Street, Leeds, LS1 4DL
Former company names:	4U Group Limited (24 October 2006 – 20 December 2012) Greenstack 2 Limited (5 October 2006 – 24 October 2006)
Names of liquidators and their address(es):	Robert Jonathan Hunt and Robert John Moran (each of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT), and Ian David Green (of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT).
Date of liquidators appointment:	2 September 2015
Details of change in liquidators:	N/A
Details of prior administration:	Robert Jonathan Hunt and Robert John Moran (each of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT), and Ian David Green (of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT) were appointed joint administrators of the Companies on 15 September 2014.
Estimated dividend for preferential creditors:	N/A – there are no preferential creditors
Estimated dividend for unsecured creditors:	4% - 5%
Estimated values of the Company's net property and prescribed part:	N/A
Whether and why the Liquidators intend to apply to court under Section 176A(5) IA86:	N/A
The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):	N/A

<b>Full name (and trading name):</b>	<b>4u Wi-Fi Limited</b>
<b>Registered number:</b>	05956859
<b>Registered office:</b>	Central Square, 29 Wellington Street, Leeds, LS1 4DL
<b>Former company names:</b>	Phones For You Limited (24 October 2006 – 12 October 2011) Greenstack 1 Limited (5 October 2006 – 24 October 2006)
<b>Names of liquidators and their address(es):</b>	Robert Jonathan Hunt and Robert John Moran (each of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT), and Ian David Green (of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT).
<b>Date of liquidators appointment:</b>	2 September 2015
<b>Details of change in liquidators:</b>	N/A
<b>Details of prior administration:</b>	Robert Jonathan Hunt and Robert John Moran (each of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT), and Ian David Green (of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT) were appointed joint administrators of the Companies on 15 September 2014.
<b>Estimated dividend for preferential creditors:</b>	N/A – there are no preferential creditors
<b>Estimated dividend for unsecured creditors:</b>	0.8% to 1%
<b>Estimated values of the Company's net property and prescribed part:</b>	N/A
<b>Whether and why the Liquidators intend to apply to court under Section 176A(5) IA86:</b>	N/A
<b>The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):</b>	N/A

<b>Full name (and trading name):</b>	<b>Jump 4U Limited</b>
<b>Registered number:</b>	07493495
<b>Registered office:</b>	Central Square, 29 Wellington Street, Leeds, LS1 4DL
<b>Former company names:</b>	Flex 4U Limited
<b>Names of liquidators and their address(es):</b>	Robert Jonathan Hunt and Robert John Moran (each of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT), and Ian David Green (of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT).
<b>Date of liquidators appointment:</b>	2 September 2015
<b>Details of change in liquidators:</b>	N/A
<b>Details of prior administration:</b>	Robert Jonathan Hunt and Robert John Moran (each of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT), and Ian David Green (of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT) were appointed joint administrators of the Companies on 15 September 2014.
<b>Estimated dividend for preferential creditors:</b>	N/A – there are no preferential creditors
<b>Estimated dividend for unsecured creditors:</b>	0.1% to 0.6%
<b>Estimated values of the Company's net property and prescribed part:</b>	N/A
<b>Whether and why the Liquidators intend to apply to court under Section 176A(5) IA86:</b>	N/A
<b>The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):</b>	N/A

# Appendix B. - Receipts and payments account for the period 2 September 2015 to 1 September 2016

4u Wi-Fi Limited

Receipts and payments account for the period 2 September 2015 to 1 September 2016

	Total
	£
<b>Receipts</b>	
Release of funds from Joint Administrators	754,182.21
Sundry debts & refunds	12,090.00
Bank Interest Gross	1,841.15
Statutory advertising	44.67
<b>Total receipts</b>	<b>768,158.03</b>
<b>Payments</b>	
Mail redirection charge	(240.00)
Statutory advertising	(89.34)
<b>Total payments</b>	<b>(329.34)</b>
<b>Net receipts &amp; payments</b>	<b>767,828.69</b>
VAT control account	(8.93)
<b>Balance held in interest bearing current accounts</b>	<b>767,819.76</b>
<b>Represented by</b>	<b>£</b>
Held in Barclays account	767,819.76
Held in Lloyds account	-
<b>Total</b>	<b>767,819.76</b>

Note 1. No Directors' statement of affairs figures have been shown as these assets have been realised in the administration.

Note 2. Legal fees – During the period of this report we have undertaken an analysis of legal fees charged across the Group, resulting in £30,193.83 to be recharged from the Group to 4u Wi-Fi. This amount has been charged after the period and is therefore shown in the expenses statement at Appendix D.



## Jump 4u Limited

### Receipts and payments account for the period 2 September 2015 to 1 September 2016

	Total
	£
<b>Receipts</b>	
Release of funds from Joint Administrators	577,538.20
Book debts	4,729.27
Bank Interest Gross	1,449.49
Legal Actions, unfair preferences etc	152.75
Statutory advertising	44.66
<b>Total receipts</b>	<b>583,914.37</b>
<b>Payments</b>	
Agents' Fees & Disbs-Property & Assets	(999.39)
Legal Actions, unfair preferences etc	(234.52)
Legal fees & Expenses	(1,339.19)
Mail redirection charge	(665.00)
Statutory advertising	(89.32)
<b>Total payments</b>	<b>(3,327.42)</b>
<b>Net receipts &amp; payments</b>	<b>580,586.95</b>
VAT control account	(5.84)
<b>Balance held in interest bearing current accounts</b>	<b>580,581.11</b>
<b>Represented by</b>	<b>£</b>
Held in Barclays account	580,581.11
Held in Lloyds account	-
<b>Total</b>	<b>580,581.11</b>

Note 1. No Directors' statement of affairs figures have been shown as these assets have been realised in the administration.

Note 2. Legal Fees – During the period of this report we have undertaken an analysis of legal fees charged across the Group. The £1,339.19 is a result of a recharge from the Group attributed to Jump 4u.



# Life Mobile Limited

## Receipts and payments account for the period 2 September 2015 to 1 September 2016

	Total
	£
<b>Receipts</b>	
Cash in hand	4,322,155.37
Book debts	10,995.35
Interest received	9,654.39
<b>Total receipts</b>	<b>4,342,805.11</b>
<b>Payments</b>	
Agents' Fees & Disbs-Property & Assets	(1,438.01)
Legal fees & Expenses	(9,449.09)
Statutory advertising	(44.66)
<b>Total payments</b>	<b>(10,931.76)</b>
<b>Net receipts &amp; payments (inc trading)</b>	<b>4,331,873.35</b>
VAT control account	(205,847.85)
<b>Balance held in interest bearing current accounts</b>	<b>4,126,025.50</b>
<b>Represented by</b>	<b>£</b>
Held in Barclays account	4,126,025.50
Held in Lloyds account	-
<b>Total</b>	<b>4,126,025.50</b>

Note 1. No Directors' statement of affairs figures have been shown as these assets have been realised in the administration.

Note 2. Legal Fees – During the period of this report we have undertaken an analysis of legal fees charged across the Group. The £9,449.09 is a result of a recharge from the Group attributed to Life Mobile.

## *Appendix C. - Details of our remuneration and disbursements and other professional costs*

### **Background**

This section sets out the process that was established for setting and monitoring the Liquidators' remuneration.

The basis of our fees and certain disbursements was agreed in the prior administration at the initial meeting of creditors on 21 November 2014 and has transferred across to the liquidation in accordance with the Rules.

The basis of our fees is by reference to time properly given. We have not drawn any liquidators' fees during the period.

### **Liquidators' charging policy**

The time charged to the liquidation is by reference to the time properly given by our staff and ourselves in attending to matters arising.

It is our policy to delegate tasks in the liquidation to appropriate members of staff, considering their level of experience and any requisite specialist knowledge needed and they are supervised accordingly to maximise the cost effectiveness of the work performed.

Our junior people have done the routine work in the liquidation to keep the costs down. But we and our senior staff have supervised them and we have dealt with any complex or significant matters ourselves.

## Narrative of key areas of work carried out for the period 2 September 2015 to 1 September 2016

There remain a number of distinct work streams within the work we have done. It should be noted that individuals will have worked in more than one area. The activities of these work streams are summarised below:

Area of work	Activities completed	Why the work was necessary	What, if any, financial benefit the work provided to creditors or whether it was required by statute
<b>Strategy and planning</b>	<ul style="list-style-type: none"> <li>• Case progression and strategy meetings;</li> <li>• Six monthly internal case reviews; and</li> <li>• Liaison with directors to obtain information in support of strategy.</li> </ul>	<ul style="list-style-type: none"> <li>• For the proper management of the case.</li> </ul>	<ul style="list-style-type: none"> <li>• Controls efficiencies, time costs and ensures continued case progression.</li> </ul>
<b>Statutory and compliance</b>	<ul style="list-style-type: none"> <li>• Drafting and issuing the progress report for the period;</li> <li>• Filing of case documentation;</li> <li>• Dealing with case correspondence;</li> <li>• Maintain the case database;</li> <li>• Work in relation to concluding the move from administration to CVL; and</li> <li>• Planning for statutory tasks and milestones.</li> </ul>	<ul style="list-style-type: none"> <li>• To comply with mandatory statutory and other obligations placed on the Liquidators.</li> </ul>	<ul style="list-style-type: none"> <li>• Required by statute or other legal requirement.</li> </ul>
<b>Book debts</b>	<ul style="list-style-type: none"> <li>• Correspondence with DLC in relation to the collection of book debts.</li> </ul>	<ul style="list-style-type: none"> <li>• Part of our duty to realise the Companies' assets.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures continued case progression.</li> <li>• To add value for creditors where realisations are made.</li> </ul>
<b>Accounting and treasury</b>	<ul style="list-style-type: none"> <li>• Reviewing and authorising payments;</li> <li>• Processing liquidation payments and receipts;</li> <li>• Correspondence with Barclays to open accounts;</li> <li>• Maintaining case accounting records including journal entries; and</li> <li>• Periodic bank reconciliations.</li> </ul>	<ul style="list-style-type: none"> <li>• For the proper management of the liquidation bank account.</li> </ul>	<ul style="list-style-type: none"> <li>• To allow us to comply with our legal obligations.</li> </ul>
<b>Creditor claims and distribution</b>	<ul style="list-style-type: none"> <li>• Responding to ad-hoc creditor queries.</li> </ul>	<ul style="list-style-type: none"> <li>• To keep creditors informed of the progress of the liquidation.</li> </ul>	<ul style="list-style-type: none"> <li>• Work is required by statute and for the proper administration of the liquidation; and</li> <li>• To ensure the proper distribution of funds to creditors when available.</li> </ul>

Area of work	Activities completed	Why the work was necessary	What, if any, financial benefit the work provided to creditors or whether it was required by statute
<b>Tax/VAT/Pensions</b>	<ul style="list-style-type: none"> <li>• Drafting, review and submission of corporation tax returns;</li> <li>• Discussions with internal tax team around complex tax issues;</li> <li>• Liaison with HMRC including calls and letters; and;</li> <li>• Drafting, review and submission of VAT 729 form.</li> </ul>	<ul style="list-style-type: none"> <li>• To comply with legal requirements.</li> </ul>	<ul style="list-style-type: none"> <li>• Required by statute or other legal requirement; and</li> <li>• Ensures any available tax and VAT recoveries are made for the liquidation estate.</li> </ul>
<b>Investigations</b>	<ul style="list-style-type: none"> <li>• Drafting, review and submission of findings to the Insolvency Service in connection with the CDDA.</li> </ul>	<ul style="list-style-type: none"> <li>• To comply with statutory requirements placed on the Liquidators.</li> </ul>	<ul style="list-style-type: none"> <li>• Required by statute or other legal requirement.</li> </ul>

## Our future work

The following table explains the key areas of future work. Until the position with HMRC is resolved regarding their unsecured claim in the liquidations, we have assumed for the purposes of this report that all matters will complete in the next two years. The estimated costs of each liquidation are detailed at the end of this Appendix.

Area of work	What we need to do	Whether the work will provide a financial benefit to creditors
<b>Strategy and planning</b>	<ul style="list-style-type: none"> <li>Reviewing the progress of liquidation strategy and amending as appropriate</li> </ul>	<ul style="list-style-type: none"> <li>Incidental to the proper management of the liquidation.</li> </ul>
<b>Statutory and compliance</b>	<ul style="list-style-type: none"> <li>Reporting to creditors;</li> <li>Complying with statutory filing requirements; and</li> <li>Maintaining case records and subsequent closure.</li> <li>Preparing and distribution of final report to creditors.</li> </ul>	<ul style="list-style-type: none"> <li>Required by statute or other legal requirement.</li> </ul>
<b>Accounting and treasury</b>	<ul style="list-style-type: none"> <li>Bank reconciliations;</li> <li>Payments to third parties; and</li> <li>Receipts from third parties.</li> <li>Payment of unsecured dividend payment to third parties.</li> <li>Closure of bank accounts.</li> </ul>	<ul style="list-style-type: none"> <li>Incidental to the proper management of the liquidation.</li> </ul>
<b>Creditor claims and distributions</b>	<ul style="list-style-type: none"> <li>Review of received claims and agreement for dividend purposes.</li> <li>Drafting the notice of intended dividend.</li> <li>Dealing with further claims received.</li> <li>Declaration and payment of first and final dividend to unsecured creditors based on available funds.</li> <li>Deal with any uncashed dividend cheques and forwarding to ISA uncashed division account</li> </ul>	<ul style="list-style-type: none"> <li>Ensures those creditors whose claims have been agreed receive the appropriate dividend.</li> </ul>
<b>Tax/VAT/Pensions</b>	<ul style="list-style-type: none"> <li>Liaising with HMRC with regards tax clearance.</li> <li>Ongoing and completion of final tax and VAT filings.</li> </ul>	<ul style="list-style-type: none"> <li>Required by statute or other legal requirement.</li> </ul>
<b>Book debts</b>	<ul style="list-style-type: none"> <li>Continuation of collection of book debts using DLC and J&amp;P Associates.</li> </ul>	<ul style="list-style-type: none"> <li>Potential for additional value for creditors.</li> </ul>



## Hourly rates

Set out below are the relevant maximum charge-out rates per hour worked for the grades of staff actually involved on this assignment. All staff who work on this assignment (including cashiers, support and secretarial staff) charge time directly to the assignment and are included within any analysis of time charged.

Time is charged by reference to actual work carried out on the assignment in six minute units. The minimum time charged is three minutes (i.e. 0.5 units). There was no allocation of any general costs or overhead costs.

Specialist departments with our firm, such Tax, VAT, Property and Pensions were also used where expert advice was required. Such specialist rates do vary but the figures below provide an indication of the maximum rate per hour.

<b>Grade</b>	<b>Maximum rate per hour (1 July 2015 to 30 June 2016) (£)</b>	<b>Maximum rate per hour (1 July 2016 to present) (£)</b>	<b>Specialist maximum rate per hour (1 July 2015 to 30 June 2016) (£)</b>	<b>Specialist maximum rate per hour (1 July 2016 to present) (£)</b>
<b>Partner</b>	825	840	1,190	1,250
<b>Director</b>	725	740	1,095	1,150
<b>Senior Manager</b>	550	560	920	970
<b>Manager</b>	470	480	665	700
<b>Senior Associate (qualified)</b>	390	400	490	295
<b>Senior Associate (unqualified)</b>	290	295	280	295
<b>Associate</b>	245	250	240	255
<b>Support staff</b>	123	125	140	150

In common with all professional firms, scale rates increase from time to time over the period of the administration of each insolvency case. PricewaterhouseCoopers LLP, or any successor firm, reserves the right to change the rates and grade structures. Following our appointment, the charge out rates were increased on 1 July 2016.

## Our relationships

We have had no business or personal relationships with the parties who approved our fees or who provide services to the liquidation where the relationship could give rise to a conflict of interest.

## Disbursements for services provided by our firm (Category 2 disbursements)

Our firm's expenses policy allows for all properly incurred expenses to be recharged to the case. Disbursements were charged to the assignment as follows:

<b>Photocopying</b>	At 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.
<b>Mileage</b>	At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc).



## Our disbursements in the period 2 September 2015 to 1 September 2016

We have not incurred any disbursements during the period 2 September 2015 to 1 September 2016:

## Other professional advisors we've used

A summary of legal and other professional firms and subcontractors instructed in the period 2 September 2015 to 1 September 2016 is below:

Name of firm / organisation	Service provided	Reason selected	Basis of fees	Amount paid in period (£)
Direct Legal Collections (DLC)	Debt collection	Knowledge and existing relationship	Percentage basis	1,953.14
J&P Associates Ltd	Debt collection	Knowledge and existing relationship	Percentage basis	484.26

Our choice was based on the advisers' experience, the complexity and type of work and the basis of the fee arrangement. We're satisfied that the fees charged are reasonable.

## Life Mobile Limited - In Creditors Voluntary Liquidation

Analysis of time costs for the period from 2 September 2015 to 1 September 2016

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	1.25	1.10	4.50	-	-	6.85	2,461.50	359.34
Sale of business	-	-	0.25	-	-	-	-	0.25	140.00	560.00
Other assets	-	-	-	-	3.00	-	-	3.00	871.00	290.33
Trading	-	-	-	3.15	1.55	0.70	-	5.40	2,101.50	389.17
Accounting and treasury	-	-	0.05	1.15	23.25	2.30	-	26.75	7,887.25	294.85
Statutory and compliance	-	-	4.65	8.15	22.20	1.90	-	36.90	13,304.00	360.54
Investigations	-	-	-	0.30	4.95	-	-	5.25	1,579.00	300.76
Creditors	-	-	5.45	1.45	6.95	0.40	-	14.25	5,819.25	408.37
Tax	-	2.75	0.05	-	9.25	-	-	12.05	5,752.25	477.37
VAT	-	-	-	-	3.75	-	-	3.75	1,089.00	290.40
Books and records	2.00	-	-	-	-	-	-	2.00	1,650.00	825.00
Closure procedures	-	-	0.10	0.35	-	-	-	0.45	219.50	487.78
<b>Total</b>	<b>2.00</b>	<b>2.75</b>	<b>11.80</b>	<b>15.65</b>	<b>79.40</b>	<b>5.30</b>	<b>-</b>	<b>116.90</b>	<b>42,874.25</b>	<b>366.76</b>

## Life Mobile Limited - In Creditors Voluntary Liquidation

Time cost summary as at 1 September 2016

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	6.85	2,461.50	359.34	10.00	3,952.74	6,414.24	380.67
Sale of business	0.25	140.00	560.00	-	-	140.00	560.00
Book debt realisations	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-
Other assets	3.00	871.00	290.33	-	-	871.00	290.33
Retention of title	-	-	-	-	-	-	-
Trading	5.40	2,101.50	389.17	-	-	2,101.50	389.17
Accounting and treasury	26.75	7,887.25	294.85	30.00	9,730.05	17,617.30	310.44
Statutory and compliance	36.90	13,304.00	360.54	42.00	16,656.95	29,960.95	379.73
Employees & pensions	-	-	-	-	-	-	-
Investigations	5.25	1,579.00	300.76	-	-	1,579.00	300.76
Creditors	14.25	5,819.25	408.37	25.00	11,230.18	17,049.43	434.38
Creditors committee	-	-	-	-	-	-	-
Tax	12.05	5,752.25	477.37	5.00	2,625.54	8,377.79	491.37
VAT	3.75	1,089.00	290.40	5.00	1,597.20	2,686.20	306.99
Books and records	2.00	1,650.00	825.00	-	-	1,650.00	825.00
Closure procedures	0.45	219.50	487.78	25.00	13,413.95	13,633.45	535.70
<b>Total</b>	<b>116.90</b>	<b>42,874.25</b>	<b>366.76</b>	<b>142.00</b>	<b>59,206.60</b>	<b>102,080.85</b>	<b>394.29</b>

## *Jump 4u Limited - In Creditors Voluntary Liquidation*

Analysis of time costs for the period from 2 September 2015 to 1 September 2016

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	0.95	1.10	6.50	-	-	8.55	2,876.50	336.43
Book debt realisations	-	-	-	-	0.40	-	-	0.40	116.00	290.00
Other assets	-	-	-	-	2.60	-	-	2.60	755.00	290.38
Trading	-	-	-	0.40	1.45	0.80	-	2.65	804.50	303.58
Accounting and treasury	-	-	0.10	2.05	26.45	11.90	-	40.50	11,638.75	287.38
Statutory and compliance	0.50	-	4.35	6.05	19.20	0.60	0.30	31.00	11,403.00	367.84
Investigations	-	-	-	0.30	5.00	-	-	5.30	1,593.00	300.57
Creditors	-	-	-	0.15	3.50	-	-	3.65	1,076.50	294.93
Tax	-	2.00	0.05	0.80	9.00	-	-	11.85	5,231.00	441.43
VAT	-	-	-	-	1.45	-	-	1.45	422.00	291.03
Books and records	-	-	1.00	-	-	-	-	1.00	315.00	315.00
Closure procedures	-	-	0.10	0.35	-	-	-	0.45	219.50	487.78
<b>Total</b>	<b>0.50</b>	<b>2.00</b>	<b>6.55</b>	<b>11.20</b>	<b>75.55</b>	<b>13.30</b>	<b>0.30</b>	<b>109.40</b>	<b>36,450.75</b>	<b>333.19</b>

## Jump 4u Limited - In Creditors Voluntary Liquidation

Time cost summary as at 1 September 2016

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	8.55	2,876.50	336.43	10.00	3,700.73	6,577.23	354.57
Sale of business	-	-	-	-	-	-	-
Book debt realisations	0.40	116.00	290.00	-	-	116.00	290.00
Property	-	-	-	-	-	-	-
Other assets	2.60	755.00	290.38	-	-	755.00	290.38
Retention of title	-	-	-	-	-	-	-
Trading	2.65	804.50	303.58	-	-	804.50	303.58
Accounting and treasury	40.50	11,638.75	287.38	30.00	9,483.54	21,122.29	299.61
Statutory and compliance	31.00	11,403.00	367.84	38.20	15,456.64	26,859.64	388.15
Employees & pensions	-	-	-	-	-	-	-
Investigations	5.30	1,593.00	300.57	-	-	1,593.00	300.57
Creditors	3.65	1,076.50	294.93	25.00	8,110.58	9,187.08	320.67
Creditors committee	-	-	-	-	-	-	-
Tax	11.85	5,231.00	441.43	5.00	2,427.87	7,658.87	454.53
VAT	1.45	422.00	291.03	5.00	1,600.67	2,022.67	313.59
Books and records	1.00	315.00	315.00	-	-	315.00	315.00
Closure procedures	0.45	219.50	487.78	25.00	13,413.95	13,633.45	535.70
<b>Total</b>	<b>109.40</b>	<b>36,450.75</b>	<b>333.19</b>	<b>138.20</b>	<b>54,193.96</b>	<b>90,644.71</b>	<b>366.09</b>

## 4u Wi-Fi Limited - In Creditors Voluntary Liquidation

Analysis of time costs for the period from 2 September 2015 to 1 September 2016

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	-	0.95	1.10	4.65	-	-	6.70	2,344.00	349.85
Property	-	-	-	-	2.65	-	-	2.65	768.50	290.00
Other assets	-	-	-	-	0.20	-	-	0.20	58.00	290.00
Trading	-	-	-	-	1.10	1.20	-	2.30	615.00	267.39
Accounting and treasury	-	-	0.05	0.30	13.05	1.25	-	14.65	4,263.50	291.02
Statutory and compliance	0.50	-	3.60	6.30	16.55	0.30	-	27.25	10,233.50	375.54
Investigations	-	-	-	0.30	4.95	-	-	5.25	1,579.00	300.76
Creditors	-	-	-	0.15	3.50	-	-	3.65	1,076.50	294.93
Tax	-	-	0.05	-	6.65	-	-	6.70	1,956.00	291.94
VAT	-	-	-	-	1.05	-	-	1.05	304.50	290.00
Closure procedures	-	-	0.10	0.35	0.35	-	-	0.80	321.00	401.25
<b>Total</b>	<b>0.50</b>	<b>-</b>	<b>4.75</b>	<b>8.50</b>	<b>54.70</b>	<b>2.75</b>	<b>-</b>	<b>71.20</b>	<b>23,519.50</b>	<b>330.33</b>



## 4u Wi-Fi Limited - In Creditors Voluntary Liquidation

Time cost summary as at 1 September 2016

Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
Strategy & Planning	6.70	2,344.00	349.85	10.00	3,848.35	6,192.35	370.80
Sale of business	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-
Property	2.65	768.50	290.00	-	-	768.50	290.00
Other assets	0.20	58.00	290.00	-	-	58.00	290.00
Retention of title	-	-	-	-	-	-	-
Trading	2.30	615.00	267.39	-	-	615.00	267.39
Accounting and treasury	14.65	4,263.50	291.02	16.00	5,121.95	9,385.45	306.21
Statutory and compliance	27.25	10,233.50	375.54	30.00	12,392.82	22,626.32	395.22
Employees & pensions	-	-	-	-	-	-	-
Investigations	5.25	1,579.00	300.76	-	-	1,579.00	300.76
Creditors	3.65	1,076.50	294.93	25.00	8,110.58	9,187.08	320.67
Creditors committee	-	-	-	-	-	-	-
Tax	6.70	1,956.00	291.94	3.60	1,156.08	3,112.08	302.14
VAT	1.05	304.50	290.00	5.00	1,595.00	1,899.50	313.97
Books and records	-	-	-	-	-	-	-
Closure procedures	0.80	321.00	401.25	25.00	11,034.38	11,355.38	440.13
<b>Total</b>	<b>71.20</b>	<b>23,519.50</b>	<b>3,442.68</b>	<b>114.60</b>	<b>43,259.15</b>	<b>66,778.65</b>	<b>3,597.29</b>



# Appendix D. - Statement of expenses for the period 2 September 2015 to 1 September 2016

The Rules requires this progress report to include a statement of expenses incurred by us during the period of the report, irrespective of whether payment has been made or not. This relates to all costs incurred, and not just our disbursements.

Life Mobile Limited				
	Unpaid Administration expenses (£)	Expenses incurred in this period (£)	Total expenses incurred to 2 September 2016 (£)	Total expenses paid (£)
				Unpaid expenses (£)
Agents' Fees	-	1,438.01	1,438.01	(1,438.01)
Legal fees & Expenses	-	9,449.09	9,449.09	(9,449.09)
Statutory advertising	-	44.66	44.66	(44.66)
Prior appointees' outstanding fees	116,065.84	-	116,065.84	116,065.84
Prior appointees' outstanding expenses	176.64	-	176.64	176.64
Office holders' fees	-	42,874.25	42,874.25	42,874.25
<b>Total</b>	<b>116,242.48</b>	<b>53,806.01</b>	<b>170,048.49</b>	<b>(10,931.76)</b>
				<b>159,116.73</b>

### Jump 4U Limited

	Unpaid Administration expenses (£)	Expenses incurred in this period (£)	Total expenses incurred to 2 September 2016 (£)	Total expenses paid (£)	Unpaid expenses (£)
Agents' Fees & Disbs-Property & Assets	-	999.39	999.39	(999.39)	-
Refund of book debt collection	-	234.52	234.52	(234.52)	-
Legal fees & Expenses	-	1,339.19	1,339.19	(1,339.19)	-
Mail redirection charges	-	665.00	665.00	(665.00)	-
Statutory advertising	-	89.32	89.32	(89.32)	-
Prior appointees' outstanding fees	70,834.25	-	70,834.25	-	70,834.25
Prior appointees' outstanding expenses	20.75	-	20.75	-	20.75
Office holders' fees	-	36,450.75	36,450.75	-	36,450.75
<b>Total</b>	<b>70,855.00</b>	<b>39,778.17</b>	<b>110,633.17</b>	<b>(3,327.42)</b>	<b>107,305.75</b>

### 4U Wi-Fi Limited

	Unpaid Administration expenses (£)	Expenses incurred in this period (£)	Total expenses incurred to 2 September 2016 (£)	Total expenses paid (£)	Unpaid expenses (£)
Mail redirection charge	-	240.00	240.00	(240.00)	-
Statutory advertising	-	89.34	89.34	(89.34)	-
Legal fees and expenses	-	30,193.83	30,193.83	-	30,193.83
Prior appointees' outstanding fees	26,338.25	-	26,338.25	-	26,338.25
Office holders' fees	-	23,519.50	23,519.50	-	23,519.50
<b>Total</b>	<b>26,338.25</b>	<b>54,042.67</b>	<b>80,380.92</b>	<b>(329.34)</b>	<b>80,051.58</b>

